

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of December 31, 2021 and 2022

(In thousands of US dollars)

### Assets

|                                | December 2022    | December 2021    |
|--------------------------------|------------------|------------------|
|                                | Unaudited        | Audited          |
| Current assets:                |                  |                  |
| Cash                           | \$ 8             | \$ 10            |
| Due from related parties       | 4,626            | 5,006            |
| Other accounts receivable      | 494              | 434              |
| Prepaid expenses, net          | 46               | 43               |
| Total current assets           | <u>5,174</u>     | <u>5,493</u>     |
| Non-current assets:            |                  |                  |
| Modular rig and equipment, net | 57,046           | 73,992           |
| Deferred income taxes          | 11,934           | 5,348            |
| Total non-current assets       | <u>68,980</u>    | <u>79,340</u>    |
| Total assets                   | <u>\$ 74,154</u> | <u>\$ 84,833</u> |

### Liabilities and Stockholders' equity

|  |                  |                  |
|--|------------------|------------------|
| Current liabilities:                           |                  |                  |
| Due to related parties                         | \$ 1,313         | \$ 1,212         |
| Trade accounts payable                         | 46               | 43               |
| Other accounts payable and accrued liabilities | 441              | 428              |
| Total liabilities                              | <u>1,800</u>     | <u>1,683</u>     |
| Stockholders' equity:                          |                  |                  |
| Capital stock                                  | 88,500           | 88,500           |
| Deficit  | <u>(16,146)</u>  | <u>(5,350)</u>   |
| Total stockholders' equity                     | <u>72,354</u>    | <u>83,150</u>    |
| Total stockholders' equity and liabilities     | <u>\$ 74,154</u> | <u>\$ 84,833</u> |

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the years ended December 31, 2021 and 2022

(In thousands of US dollars)

|   | December 2022      | December 2021     |
|---|--------------------|-------------------|
|   | Unaudited          | Audited           |
| Continuing operations:                        |                    |                   |
| Operating leases revenues                     | \$ -               | \$ 6,426          |
| Operating cost                                | 57                 | 57                |
| Depreciation of assets under operating leases | 10,088             | 10,155            |
| Loss of impairment                            | 7,488              | -                 |
| Loss profit                                   | <u>(17,633)</u>    | <u>(3,786)</u>    |
| Other expenses - Net                          | 89                 | -                 |
| Interest income                               | (354)              | (151)             |
| Exchange loss, net                            | 13                 | 0                 |
| Loss before income taxes                      | <u>(17,381)</u>    | <u>(3,635)</u>    |
| Deferred income tax                           | <u>(6,585)</u>     | <u>(2,486)</u>    |
| Consolidated net result                       | <u>\$ (10,796)</u> | <u>\$ (1,149)</u> |

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the years ended December 31, 2021 and 2022

(In thousands of US dollars)

|  | December 2022 | December 2021 |
|--|---------------|---------------|
|  | Unaudited     | Audited       |
| Cash flows from operating activities:          |               |               |
| Consolidated net profit                        | \$ (10,796)   | \$ (1,149)    |
| Adjustments for:                               |               |               |
| Depreciation                                   | 10,088        | 10,155        |
| Loss of impairment                             | 7,488         | -             |
| Interest gain                                  | (354)         | (220)         |
| Exchange (gain) loss                           | 13            | -             |
| Deferred income tax benefit                    | (6,585)       | (2,487)       |
|  | <u>(146)</u>  | <u>6,299</u>  |
| <b>Changes in working capital:</b>             |               |               |
| (Increase) decrease in:                        |               |               |
| Due from related parties                       | 380           | (5,006)       |
| Other accounts receivable                      | (60)          | 1,665         |
| Prepaid expenses                               | (3)           | (2)           |
| Increase (decrease) in:                        |               |               |
| Trade accounts payable                         | 3             | 2             |
| Due to related parties                         | 101           | (1,816)       |
| Income tax                                     | -             | -             |
| Other accounts payable and accrued liabilities | (1)           | (720)         |
| Net cash flows by operating activities         | <u>274</u>    | <u>422</u>    |
| Cash flows from investing activities:          |               |               |
| Purchase of equipment                          | <u>(630)</u>  | <u>(638)</u>  |
| Net cash flows in investing activities         | (630)         | (638)         |
| Cash flows from financing activities:          |               |               |
| Interest paid                                  | <u>354</u>    | <u>220</u>    |
| Net cash flows by financing activities         | <u>354</u>    | <u>220</u>    |
| Net change in cash                             | (2)           | 4             |
| Cash at the beginning of the year              | <u>10</u>     | <u>6</u>      |
| Cash at end of the year                        | <u>\$ 8</u>   | <u>\$ 10</u>  |